

ASEM unlikely to bring immediate flurry of new business to Asia

BANGKOK, Mar 5: A landmark summit of Asian and European leaders is not expected to bring an immediate flurry of new business to Asia but served as a wake-up call to European firms about opportunities here, analysts said yesterday, reports Reuter.

Business and financial analysts across Asia agreed that the first Asia-Europe Meeting (ASEM), which ended on Saturday, will help boost lagging European interests in the region even if no concrete results are immediately seen.

There's nothing tangible from a businessman's point of view... but Europe is at last realising that a massive market Asia and South Asia is, said Fazel Cader, Managing Director of Ceylon (Pvt) Ltd in Colombo.

I think it's good that they are talking to each other. It has probably woken up corporate Europe to what's here, said Graham Catterwell, head of equities for Morgan Grenfell in Thailand.

Leaders from the 15-member European Union and 10 Asian nations met for the two-day summit on March 1-2, which emphasised the need to forge stronger economic ties between the regions. In particular, the leaders stressed their desire to increase two-way investment and to liberalise and facilitate trade.

The EU says half the growth in global trade from now until the year 2000 will be generated from the vibrant tigers of East and South-east Asia, and it wants to reap the benefits.

Most analysts said it was important for EU leaders to see first hand how rapidly Asia is growing.

Several European leaders made visits to other Asian nations before or after the summit to discuss trade or investment opportunities and to meet government and business leaders.

Good relations can help smooth economic problems, said Tadashi Saito of the Japan Federation of Economic Organisations. He noted that high-level discussions are often held between the United States and Europe, and Asia and the United States, but the ASEM was the first meeting of its kind between Europe and Asia.

Analysts said closer Asia-Europe ties will also help Asian nations' strategies towards diversification. Japan and the United States have been the two pillars of Korean diplomacy for some time, and Korea now wants to diversify its diplomatic and economic ties, said Tae Chung, head research at Jardine Fleming securities in Seoul.

He said Asian companies hope to benefit from the transfer of technology from European firms.

Vietnam, which is expected to endorse an industrial modernisation policy soon, also welcomed the summit's results.

This is the beginning of a new process of greater cooperation and investment, said Nguyen Xuan Oanh, an economic expert in Vietnam's booming Ho Chi Minh City. It agrees with what we're setting out to do over the next five years.

He said Vietnamese companies would also be looking to Europe for potential benefits from the transfer of technology.

Philippines' analysts said the summit gave Europeans a chance to consider Asia's smaller but no less dynamic economies. If you take a look at other (Asian) countries that participated in the meeting, most of them like Malaysia and Thailand have already benefited from European investments, said Herman Montenegro, former president of the Philippine Chamber of Commerce and Industry.

I think the Philippines is now slowly being recognised as an investment haven because of the economic rebound that we have achieved so far.

Philippines' analysts saw the electronics industry as one beneficiary of increased European investment. Malaysian analysts expect their electronics and machinery industries to benefit.

China plans to cut budget deficit to \$7.4b

BEIJING, March 5: China plans to cut its budget deficit slightly to 6.44 billion yuan (7.4 billion dollars) in 1996 over last year, Finance Minister Liu Zhongli said today, reports Reuter.

The target, announced by Liu in his budget speech at the opening session of the annual National People's congress session here, is down from actual 1995 deficit of 62.14 billion yuan, according to preliminary estimates. China's budget deficit has ballooned in recent years, rising to last year's figure from 57.4 billion yuan in 1994 and 19.92 billion in 1993.

Chittagong Stock Exchange

At the close of trading on March 5, '96 Transactions up, index down

Turnovers on the floor of Chittagong Stock Exchange increased on Tuesday while index declined. The turnover in volume rose by 342.00 per cent to 5880 from 1330 and value went up by 489.00 per cent from Tk 2.47 lakh to Tk 14.54 lakh.

CSE at glance table with columns: CSE All Securities Price Index, Day's change in index, Total turnover (Value) Tk, Day's contract numbers, Total issues traded, Issue gained, Day's issues declined, Day's issues unchanged, Total closing markets capital Tk, Total No of listed securities, Total No of companies, Total No of Mutual Funds.

Day's Trading Performance table with columns: Company's name, Closing rate, Previous rate, Difference, No of traded.

Exchange Rates

Table showing exchange rates for various currencies including US Dollar, GBP, DM, F Franc, C Doll, S Krona, Malaysian Ringgit, Singapore Dollar.

Table showing US Dollar spot buying rates and US Dollar sight export bill rates.

Shipping Intelligence

Table showing Chittagong Port berth position and performance of vessels as on 5-3-96, including columns for Birth, Name of Vessels, Cargo, L Port, Local Agent, Date of Arrival, Leaving.

Table showing Vessels due at outer anchorage, including columns for Name of Vessels, Date of Arrival, Last Port, Local Agent, Cargo, Lading Port.

Table showing Tanker due, including columns for Name of Vessels, Date of Arrival, Last Port, Local Agent, Cargo, Lading Port.

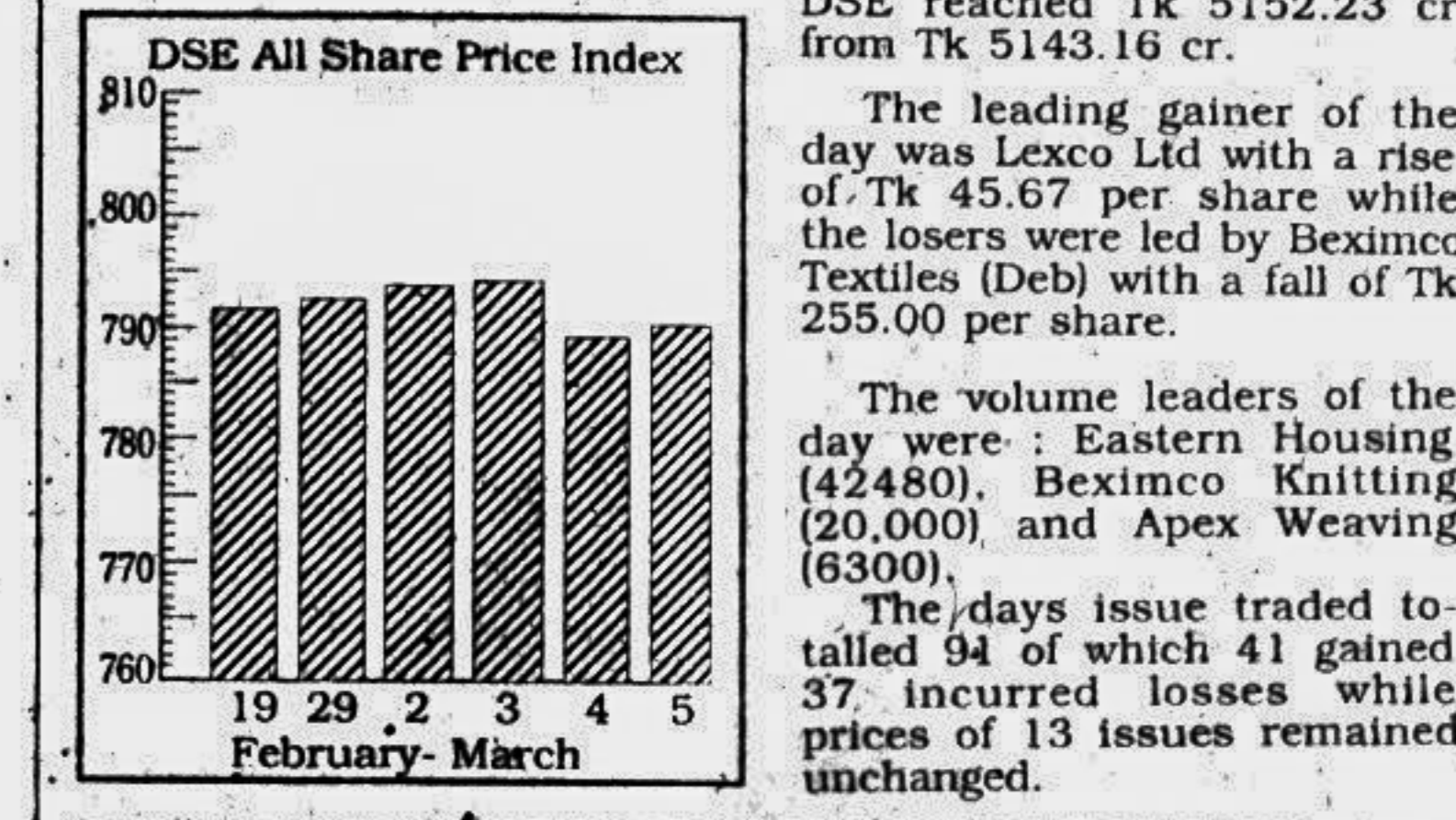
Table showing Vessels at Kutubdia, including columns for Name of Vessels, Last Port, Local Agent, Date of Arrival.

The Above were the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

Dhaka Stock Prices

At the close of trading on March 5, 1996 Index up

The Dhaka Stock Exchange All Share Price Index rose in an improved trading on the floor of the bourse. The index gained 1.40 point to 790.69 from 789.29.



The transaction in volume increased by 13 per cent to 1.26 lakh from 1.12 lakh and value went up by 12 per cent from Tk 2.01 cr to Tk 2.26 cr.

The leading gainer of the day was Lexco Ltd with a rise of Tk 45.67 per share while the losers were led by Beximco Textiles (Deb) with a fall of Tk 255.00 per share.

The volume leaders of the day were: Eastern Housing (42480), Beximco Knitting (20,000) and Apex Weaving (6300).

The days issue traded totalled 94 of which 41 gained 37 incurred losses while prices of 13 issues remained unchanged.

Trading at a glance table with columns: DSE All Share Price Index, Market Capital Tk, Transaction in Volume, Transaction in Value Tk, Total issues traded, Issues gained, Issues incurred losses, Issues unchanged.

Table showing DSE Shares and Debentures with columns: Company, PV/ML, Closing Rate, Rate (Taka).

Air India threatens to lock out striking workers

NEW DELHI, Mar 5: Air-India has threatened to lock out aircraft maintenance workers unless they call off a strike which the state-owned airline said is costing it three million rupees (90,000 dollars) a day, news reports said yesterday, according to Reuter.

The airline suspended 12 aircraft engineers and told 23 others not to report to work at the weekend after they took part in the strike which has forced the company to cut back on flights, the Press Trust of India (PTI) said.

About 500 members of the Air-India aircraft engineers association have been on strike since February 26, demanding a pay rise. Financial Express newspaper said.

PTI quoted Air-India Managing Director Brijesh Kumar as saying management "would be forced to declare a lock-out if this kind of response continued."



Trader Robert Grieco signals an order at the Sydney Futures Exchange on Monday as financial markets responded favourably to the landslide victory of the conservative coalition in the March 2 Federal election. John Howard's election as the Australia's 25th prime minister sent the local financial markets and the Australian dollar surging. — AFP/UNB photo

Advertisement for 'করিজেনডাম নোটিশ' (Carigenadam Notice) with contact information for PANI-459/95-96.

'Joint Bosnian-Iranian bank necessary'

NICOSIA, Mar 5: Iran has suggested the creation of a joint Bosnian-Iranian bank to help create more confidence in joint investments and to facilitate private sector activities in the two countries, the official IRNA news agency said, reports Reuter.

Iran said the proposal was made during a second round of talks on Sunday between visiting Bosnian Premier Hasan Muratovic and Iran's Vice-President Hassan Habibi.

It said Habibi considered the setting up of a joint bank 'for building more trust in joint investments and to facilitate the activities of the private sectors and entrepreneurs' in the two countries as necessary.

Habibi assured Muratovic of Iran's readiness to expand cooperation with Bosnia in economic, political and cultural fields, IRNA added.

IRNA added that Muratovic who arrived in Tehran on Sunday described Iran as his country's major economic partner and called for an active Iranian presence on Bosnia's economic scene.

Muratovic has also underlined the importance of Iran's contribution to the reconstruction of plants and the implementation of infrastructure projects in Bosnia, IRNA added.

He expressed his country's interest in "expanding its technical and cultural cooperation with Iran."

He said Iran's aid to Bosnia has always been unconditional and called for its continuation "especially in the tough conditions of the reconstruction



K Hara, outgoing Representative of Japan External Trade Organization (JETRO), was handed over with a Silver plate as a token of strong friendship between the two organizations by Yoji Hamano, General Manager of Sonargaon Pan Pacific Hotel Yuichi Bamba, the new Representative along with his wife is also seen in the picture.

Advertisement for 'Government of the People's Republic of Bangladesh Directorate General of Health Services' with a 'Situation Vacant' notice and terms and conditions.

KL favours limits on ASEAN membership

KUALA LUMPUR, Malaysia, Mar 5: The Association of Southeast Asian Nations risks losing its identity if it opens membership to nations outside the region, Malaysia's foreign minister said Monday, reports AP.

ASEAN belonged only to 10 nations, said Abdullah Ahmad Badawi. Current members are Vietnam, Malaysia, the Philippines, Indonesia, Singapore, Thailand and Brunei. Burma, Laos and Cambodia are expected to join in the next few years.

Addressing the Southeast Asia Forum, Abdullah said some ASEAN members appeared to be going through an identity crisis by calling for the admission of outsiders, citing economic linkages and geographical proximity. He did not name the nations.

"Obviously, we must draw the line somewhere. I suggest we hold the line in Southeast Asia, which is what the ASEAN is all about."